

Exhibit 2



The Federal Workforce: Characteristics and Trends

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Summary

Understanding the characteristics and trends of the federal workforce is important because, among other things, agencies accomplish their missions via that workforce. Total personnel costs (direct compensation and benefits) for all current and retired civilian and military federal employees were estimated at nearly \$590 billion in 2010. Current non-postal civilian personnel costs in the executive branch alone were estimated at nearly \$230 billion. According to Office of Personnel Management's FedScope database, three Cabinet departments—the Departments of Defense (DOD), Veterans Affairs (DVA), and Homeland Security (DHS)—accounted for about 60% of the 2.1 million executive branch civilian employees in December 2010. The duty stations for more than 35% of these employees were in four states (California, Virginia, Texas, and Maryland) and the District of Columbia, and DOD was the top federal employer in most states. DOD also employed more than 90% of federal civilian employees in foreign countries, and was the top federal employer in U.S. territories. The federal workforce grew by more than 350,000 employees between 2000 (the low point during the last 12 years) and 2010, with the growth concentrated in homeland security-related agencies, DOD, DVA, and the Department of Health and Human Services. Civilian employment in other departments and agencies has declined since 1998 (the first year in which FedScope data are available). Legislation has been introduced in the 112th Congress (H.R. 657) that attempts to reduce the size of the federal workforce, but the legislation exempts DOD, DVA, and DHS.

The number of employees in blue-collar and clerical federal jobs declined between 1998 and 2010, but the number of employees in professional and administrative jobs increased during this period. The percentage of the federal workforce that was made up of minorities also increased, but the percentage that was women declined slightly. Although women and minorities represented an increasing portion of the growing professional and administrative groups, the representation of women and minorities in the Senior Executive Service was less than their presence in the overall workforce. The federal workforce was somewhat older in 2010 than it was in 1998, but the average length of service declined from 15.2 years in 1998 to 13.5 years in 2010. The number of white-collar employees in the General Schedule pay system declined between 1998 and 2010, while the number of employees in single-agency pay systems increased (from 3.3% of the workforce in 1998 to 15.4% in 2010). The average salary of the workforce was \$74,817 in 2010, but average salaries varied substantially between and within federal agencies and pay systems. Most of the highest paid employees work in a few agencies and occupations.

Although the federal workforce has grown somewhat in recent years, a 2006 study estimated that the "hidden" federal workforce of contractors and grantees grew by more than 50% between 1999 and 2005, when it reportedly included more than 10.5 million jobs in 2005. That figure is almost four times as large as the combined total of all three branches of government and the U.S. Postal Service. Additional data on the contractor workforce may be available soon.

This report will be updated when September 2011 data for the federal workforce become available.

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Introduction

The responsibilities of the federal government are carried out through its workforce, so understanding the characteristics and trends of that workforce is a critical part of understanding how the federal government can better accomplish its various missions. As the Government Accountability Office (GAO) said in May 2008,

The importance of a top-notch federal workforce cannot be overstated. The nation is facing new and more complex challenges in the 21st century as various forces are reshaping the United States and its place in the world.... To address these challenges, it will be important for federal agencies to change their cultures and create the institutional capacity to become high-performing organizations. This includes recruiting and retaining employees able to create, sustain, and thrive in organizations that are flatter, results-oriented, and externally focused and that collaborate with other governmental entities as well as with the private and nonprofit sectors to achieve desired outcomes.¹

In 2001, however, GAO identified the management of the federal workforce as a government-wide “high-risk” area because federal agencies lacked a strategic approach to workforce management that integrated those efforts with their missions and goals.² Ten years later, strategic human capital management remains on GAO’s high-risk list.³

Understanding the federal workforce is also important for a variety of other reasons. Personnel costs for both current and former employees represent a substantial portion of many agencies’ budgets, and a significant portion of the total federal budget. Some federal agencies are major employers in certain states, and tens of thousands of federal employees work outside of the United States. The federal workforce is also expected by some to reflect the gender, racial, and ethnic diversity of the country as a whole. In addition, understanding recent changes in the overall size and composition of the federal workforce can indicate what changes may lie in the future.

Cost and Size of the Federal Workforce

Determining the size or cost of the federal workforce first requires a determination of what should be considered “the federal workforce,” and what are considered relevant costs associated with that workforce. Federal budget documents distinguish federal personnel costs in terms of (1) direct compensation (e.g., salaries and bonuses) versus personnel benefits (e.g., health benefits and life insurance), (2) civilian employees versus military employees, and (3) current employees versus retired employees. The documents also show costs specific to the U.S. Postal Service and the Department of Defense (DOD), and separately show costs for the legislative and judicial branches of the federal government.

According to the FY2011 federal budget, and as shown in **Table 1** below, total federal personnel costs (i.e., direct compensation and benefits) in 2010 for all groups (i.e., civilian and military, current employees, and retirees) were nearly \$590 billion. Personnel costs (direct compensation

¹ U.S. Government Accountability Office, *Human Capital: Transforming Federal Recruiting and Hiring Efforts*, GAO-08-762T, May 8, 2008.

² U.S. General Accounting Office, *High Risk Series: An Update*, GAO-01-263, January 2001.

³ U.S. Government Accountability Office, *High Risk Series: An Update*, GAO-11-278, February 2011.

plus benefits) for current civilian employees (including all three branches of government and the U.S. Postal Service) were nearly \$295 billion. Current non-postal civilian personnel costs for just the executive branch were nearly \$230 billion, with DOD constituting about 30% of that total. In comparison, personnel costs for the legislative and judicial branches were relatively small (just under \$7 billion combined). Personnel costs for employees of the U.S. Postal Service are almost entirely funded by postal fees, not appropriations. Some federal regulatory agencies (e.g., the Securities and Exchange Commission, the Nuclear Regulatory Commission, and the Federal Communications Commission) are also entirely or primarily funded through fees rather than appropriations.

Table 1. Estimated Civilian and Military Personnel Compensation and Benefits, 2010
(millions of dollars)

Organizational/ Employee Grouping	Cost		
	Direct Compensation	Personnel Benefits	Total Personnel Costs
Civilian Personnel Costs			
Department of Defense (DOD)	\$53,743	\$15,560	\$69,303
Executive Branch—Non-DOD	\$114,182	\$45,996	\$160,178
Postal Service	\$37,832	\$20,384	\$58,216
Legislative Branch	\$2,181	\$634	\$2,815
Judicial Branch	\$3,160	\$1,000	\$4,160
Total Civilian	\$211,098	\$83,574	\$294,672
Military Personnel Costs			
DOD	\$99,638	\$50,891	\$150,529
Other Uniformed Personnel	\$3,088	\$805	\$3,893
Total Military	\$102,726	\$51,696	\$154,422
Civilian and Military Personnel Costs	\$313,824	\$135,270	\$447,046
Retiree Costs			
Civilian	\$70,996	\$9,686	\$80,682
Military	\$51,095	\$8,623	\$59,718
Total Retiree	\$122,091	\$18,309	\$140,400
Grand Total—Civilian and Military, Active and Retiree	\$435,915	\$153,579	\$589,494

Source: U.S. Executive Office of the President, Office of Management and Budget, *Budget of the U.S. Government: Analytical Perspectives*; Fiscal Year 2011, Table 11-4.

Note: “Personnel benefits” for retirees includes health benefits and (for civilian personnel) life insurance.

According to the Office of Personnel Management (OPM), and as shown in **Table 2** below, there were more than 2.8 million employees in the total federal civilian workforce (all three branches plus the U.S. Postal Service) in September 2009—down from nearly 3.0 million in September

1994.⁴ From the beginning to the end of this period, the number of executive branch civilian employees declined by about 135,000 employees, driven largely by reductions in the Department of Defense (DOD, down more than 143,000 employees) and the U.S. Postal Service (down by nearly 145,000).⁵ The number of legislative branch employees declined somewhat during this period (down about 4,500 employees), while the number of judicial branch employees increased somewhat (up about 5,700 employees).

Table 2. Trends in Federal Civilian Employment, 1994 -2009

(in thousands)

	1994	1996	1998	2000	2002	2004	2006	2009
Legislative Branch	35.4	31.5	30.5	31.2	30.9	30.0	29.4	30.9
Judicial Branch	28.0	29.6	31.7	32.2	34.7	33.8	33.7	33.7
Executive Branch	2,908.2	2,786.3	2,727.3	2,644.8	2,649.9	2,649.3	2,637.1	2,773.9
—DOD	879.9	795.9	717.9	676.3	670.2	668.2	675.7	736.6
—Non-DOD	1,205.6	1,138.1	1,137.9	1,107.8	1,168.1	1,213.5	1,203.9	1,359.3
—U.S. Postal Service	822.7	852.3	871.5	860.7	811.6	767.6	757.4	736.6
Total	2,971.6	2,847.4	2,789.5	2,708.1	2,715.5	2,713.2	2,700.3	2,838.5

Source: OPM's *The Fact Book: 2005 Edition* (p. 7) and *2007 Edition* (p. 8), and *Employment and Trends*, September 2009, Table 2.

These totals do not, however, include employees in the intelligence agencies, members of the active armed forces, or members of the reserve forces. The data also do not include federal contractors and grantees. The exact number of direct and indirect federal contract and grant jobs is unknown, but Paul Light of New York University has estimated the total to be more than 10.5 million in 2005—more than twice as many as the combined total of all three branches of government, the U.S. Postal Service, the intelligence agencies, the armed forces, and the Ready Reserve.⁶ As **Table 3** below shows, the estimated number of federal contract jobs increased by more than 70% between 1999 and 2005 (from more than 4.4 million to more than 7.6 million)—a change that was reportedly driven almost entirely by increased spending at DOD during this period.⁷ The table also shows that, taken together, the number of federal contract and grant jobs increased by more than 50% during this six-year period.

⁴ U.S. Office of Personnel Management, *The Fact Book: 2005 Edition*, p. 7, available at <https://www.opm.gov/feddata/factbook/2005/factbook2005.pdf>. OPM has not published *The Fact Book* since 2005, so 2004 data are the most recent available. Here and throughout this report, the number of employees reported is based on head counts of employees on board as of a particular date. Federal budget documents and other sources sometimes use “full-time equivalent” or “FTE” numbers, in which two employees working 20 hours per week are treated as one FTE.

⁵ For more information on the Postal Service, see CRS Report RS22864, *U.S. Postal Service Workforce Size and Employment Categories, 1990-2010*, by Wendy Ginsberg.

⁶ Paul C. Light, Robert F. Wagner Graduate School of Public Service, New York University, *The New True Size of Government*, August 2006. To view the study, see http://wagner.nyu.edu/performance/files/True_Size.pdf.

⁷ *Ibid.*

Table 3. Number of Direct and Indirect Federal Contract and Grant Jobs, 1999 and 2005

	1999	2005	Increase	
			Number	Percent
Federal contract jobs	4,441,000	7,634,000	3,193,000	71.9%
Federal grant jobs	2,527,000	2,892,000	365,000	14.4%
Total	6,968,000	10,526,000	3,558,000	51.1%

Source: Paul C. Light, *The New True Size of Government*, August 2006.

It is unclear whether the number of federal contractors has increased, decreased, or stayed the same since 2005. In March 2009, President Barack Obama indicated that he planned to reduce the cost of federal contracts by \$40 billion per year, which could lead to a reduction in the number of federal contractors.⁸ That same month, Congress enacted the Omnibus Appropriations Act, 2009 (P.L. 111-8, March 11, 2009), which included a provision (Section 752) requiring each executive department and agency to submit a report to the Director of OMB within 120 days stating the size of its workforce as of December 31, 2008, differentiating between civilian, military, and contract workers. OMB was required to submit an aggregate report to Congress within 180 days after the date of enactment. As of the date of this report, it is unclear whether the required report to Congress has been completed.

The Consolidated Appropriations Act, 2010 (P.L. 111-117, December 16, 2009) contained a similar provision (Section 743), directing each executive agency (other than DOD) required to submit an inventory under the Federal Activities Inventory Reform Act of 1998 (P.L. 105-270) to submit to OMB an annual inventory of service contracts awarded or extended after April 1, 2010. The first report was due December 31, 2010, and was to include “the number and work location of contractor and subcontractor employees, expressed as full-time equivalents for direct labor, compensated under the contract.” On November 5, 2010, OMB’s Office of Federal Procurement Policy sent a memorandum to agency chief acquisition officers and senior procurement executives regarding these inventories, noting that they will be required to include the number of contractors and first tier subcontractors beginning in FY2011.⁹

Federal Civilian Employment Data

OPM’s Central Personnel Data File (CPDF) is the most comprehensive, authoritative, and up-to-date database of federal executive branch employees, but it does not include information for certain executive branch agencies (e.g., the intelligence agencies) and certain entities that are sometimes considered part of the federal government (e.g., the U.S. Postal Service). It also does not include contractors, grantees, members of the armed forces, reservists, federal employees in the judicial branch, or most employees in the legislative branch.¹⁰

⁸ Richard Wolf, “Obama Seeks to End Abuses in Federal Contracting,” *USA Today*, March 4, 2009.

⁹ See <http://www.whitehouse.gov/sites/default/files/omb/procurement/memo/service-contract-inventories-guidance-11052010.pdf> for a copy of this memorandum.

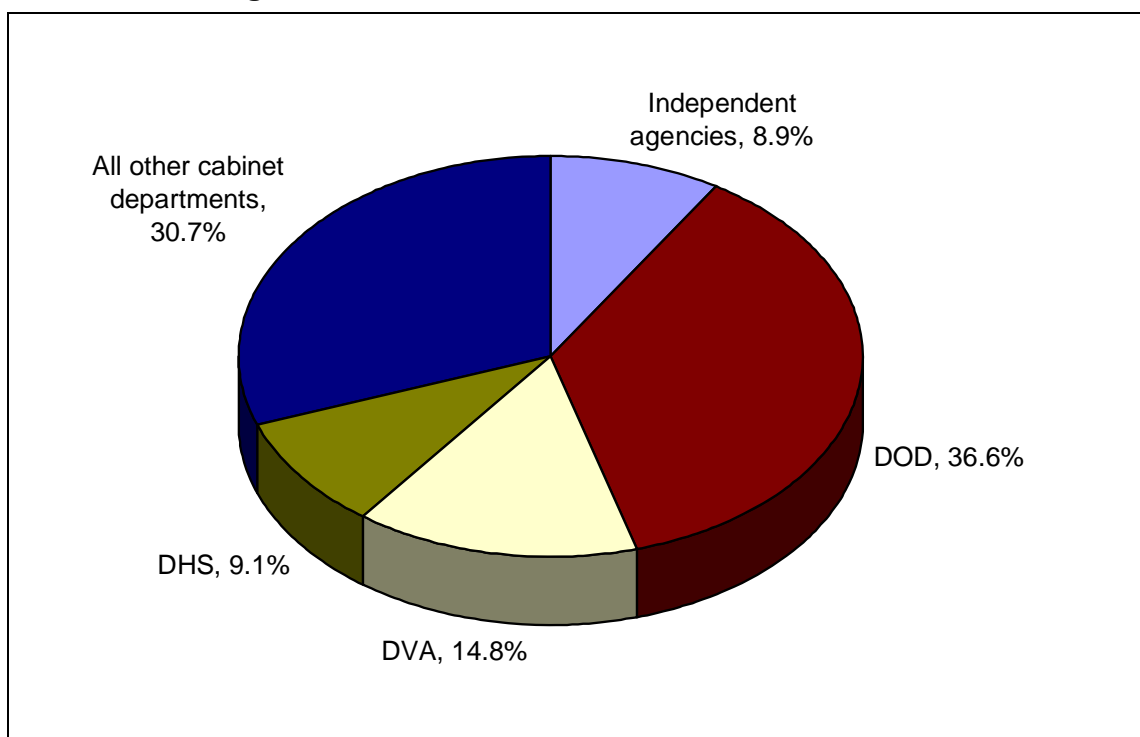
¹⁰ Specifically, CPDF coverage of the executive branch currently includes all agencies except the Board of Governors of the Federal Reserve, the Central Intelligence Agency, the Defense Intelligence Agency, Foreign Service personnel at (continued...)

The data provided in the remainder of this report focus on civilian employees in executive branch departments and agencies. Unless otherwise noted, the data are drawn from OPM's "FedScope" website (<http://www.fedscope.opm.gov>), which is based on the CPDF. According to FedScope, in December 2010, there were 2,112,277 employees in the federal agencies that the CPDF covers.

Federal Civilian Employment by Agency

As **Figure 1** and **Table 4** below show, DOD was by far the largest federal agency in December 2010 (771,614 civilian employees), followed by the Department of Veterans Affairs (DVA, 312,878 employees) and the Department of Homeland Security (DHS, 191,197 employees). These three Cabinet departments accounted for 60.4% of the 2.1 million federal civilian workforce. More than 91% of federal civilian employees worked in the 15 Cabinet departments. Among independent federal agencies (i.e., those agencies that are not part of a Cabinet department), nearly 64% of employees (120,641 of 188,578) were in four agencies: the Social Security Administration (SSA), the National Aeronautics and Space Administration (NASA), the Environmental Protection Agency (EPA), and the General Services Administration (GSA).

Figure 1. Federal Civilian Workforce, December 2010



Source: OPM's FedScope database.

(...continued)

the State Department, the National Geospatial-Intelligence Agency, the National Security Agency, the Office of the Director of National Intelligence, the Office of the Vice President, the Postal Regulatory Commission, the Tennessee Valley Authority, the U.S. Postal Service, and the White House Office. Also excluded are the Public Health Service's Commissioned Officer Corps, non-appropriated fund employees, and foreign nationals overseas. The legislative branch is limited to the Government Printing Office, the U.S. Tax Court, and selected commissions.

Table 4. Number of Federal Civilian Employees by Department and Major Independent Agency, December 2010

Department/Agency	Number of Civilian Employees
Cabinet Departments	
Department of Defense	771,614
Department of Veterans Affairs	312,878
Department of Homeland Security	191,197
Department of Justice	118,104
Department of the Treasury	112,541
Department of Agriculture	98,235
Department of Health and Human Services	83,745
Department of the Interior	72,168
Department of Transportation	58,189
Department of Commerce	45,348
Department of Energy	16,651
Department of Labor	16,554
Department of State	12,086
Department of Housing and Urban Development	9,818
Department of Education	4,611
Subtotal: All Cabinet departments	1,923,739
Independent Agencies	
Social Security Administration	70,270
Environmental Protection Agency	18,737
National Aeronautics and Space Administration	18,732
General Services Administration	12,902
All other independent agencies	67,897
Total	2,112,277

Source: OPM's FedScope database.

Federal Civilian Employment by Location

As of December 2010, about 97.5% of federal civilian employees worked in the United States. As shown in **Table 5** below, more than 35% of federal civilian employees' duty stations (757,377 of 2,112,277) were in the District of Columbia and four states (California, Virginia, Texas, and Maryland). DOD had the largest number of federal employees in most of the states, and the department had the second-highest number of employees in most of the other states. DVA was the most common second-largest federal employer in the states. Other federal departments or agencies with large numbers of employees in certain states included DHS (with more than 10,000 employees in five states, including more than 20,000 in both California and Texas); the Department of Justice (DOJ, with more than 25,000 employees in the District of Columbia); and the Department of Health and Human Services (HHS, with more than 37,000 employees in

Maryland). Among independent agencies, the Social Security Administration was the largest and most ubiquitous, with nearly 13,000 employees in Maryland and more than 1,000 employees in many other states.

Table 5. States With Largest Number of Federal Civilian Employees (Duty Stations), December 2010

State	Federal Civilian Employees	Major Federal Employer(s)
District of Columbia	169,809	DOJ (25,026)
California	169,046	DOD (63,315) DVA (25,222) DHS (22,268)
Virginia	147,152	DOD (95,005)
Texas	141,500	DOD (50,993) DHS (25,138) DVA (22,248)
Maryland	129,870	DOD (38,941) HHS (37,213)
Florida	89,708	DOD (30,020) DVA (23,139)
Georgia	80,751	DOD (38,528)
Pennsylvania	70,003	DOD (26,592)
New York	61,751	DVA (18,006)
Washington	57,350	DOD (29,009)
Ohio	53,478	DOD (26,321)
Illinois	51,241	DOD (15,317)

Source: OPM's FedScope database.

Note: The table includes all states with at least 50,000 federal employees, and shows the largest federal employers in those states. For security purposes, FedScope does not provide detailed location information for certain agencies (e.g., the Federal Bureau of Investigation, the Drug Enforcement Agency, and the U.S. Secret Service). Employees of these agencies that work in the Washington, DC-MD-VA-WV Metropolitan Statistical Area are all reported as working in the District of Columbia. Other employees are reported as "Suppressed" (a total of 32,000 in the Department of Justice). As a result, FedScope somewhat overstates employment for the District of Columbia and understates employment for all states, territories, and foreign countries.

As of December 2010, 37,337 federal civilian employees worked in foreign countries, 15,188 employees worked in U.S. territories, and 1,086 employees worked in "unspecified" locations.¹¹ As **Table 6** below shows, nearly 85% of federal civilian employees in foreign countries worked for DOD, with DHS and the Agency for International Development (AID) a distant second and third, respectively. DOD employees in foreign countries most commonly worked for the Department of the Army (12,610 employees) or in DOD "Education Activity" (10,059 employees).

¹¹ These data do not include certain agencies or employees in certain agencies (e.g., the intelligence agencies and Foreign Service personnel in the Department of State).

Nearly 75% of federal employees in U.S. territories worked for DOD, DVA, or DHS. Within DOD, most employees worked for the Department of the Navy (1,412 employees), Department of the Army (1,338 employees), or in DOD “Education Activity” (937 employees). Within DHS, most employees worked for either the Transportation Security Administration (TSA, 963 employees) or the Bureau of Customs and Border Protection (990 employees).

Table 6. Federal Civilian Employees in Foreign Countries and U.S. Territories by Major Department or Agency, December 2010

Department or Agency	Number of Federal Civilian Employees Working		
	in Foreign Countries	in U.S. Territories	Outside the United States
DOD	33,147	4,451	37,598
DVA	19	3,943	3,962
DHS	979	2,940	3,919
International Development Cooperation Agency	1,901	0	1,901
USDA	186	758	944
Treasury	73	732	805
All other departments and agencies	1,032	2,364	3,396
Total	37,337	15,188	52,525

Source: OPM’s FedScope database.

Note: FedScope does not include Foreign Service personnel in the Department of State.

Although there was at least one federal civilian employee in more than 160 foreign countries, **Table 7** below shows that nearly 80% of these employees worked in four countries—Germany, Japan, Korea, and Italy. In these countries, 99% of the employees worked for DOD. Federal employment in U.S. territories is even more stratified, with 75% of employees in those areas working in Puerto Rico and 93% working in either Puerto Rico or Guam. In Puerto Rico, the major agencies are DVA (3,891 employees), DOD (2,162 employees), and DHS (2,117 employees). In the other territories, certain agencies tend to dominate (e.g., 2,153 of 2,762 employees in Guam are in DOD, and 374 of 724 employees in the Virgin Islands are in DHS).

Table 7. Federal Civilian Employees in Foreign Countries and U.S. Territories by Major Countries and Territories, December 2010

Country/Territory	Federal Civilian Employees	
	Number	Percent of Total
Foreign Countries		
Germany	14,655	41.8%
Japan	7,157	20.4%
Korea	3,456	9.9%
Italy	2,583	7.4%
United Kingdom	1,679	4.8%

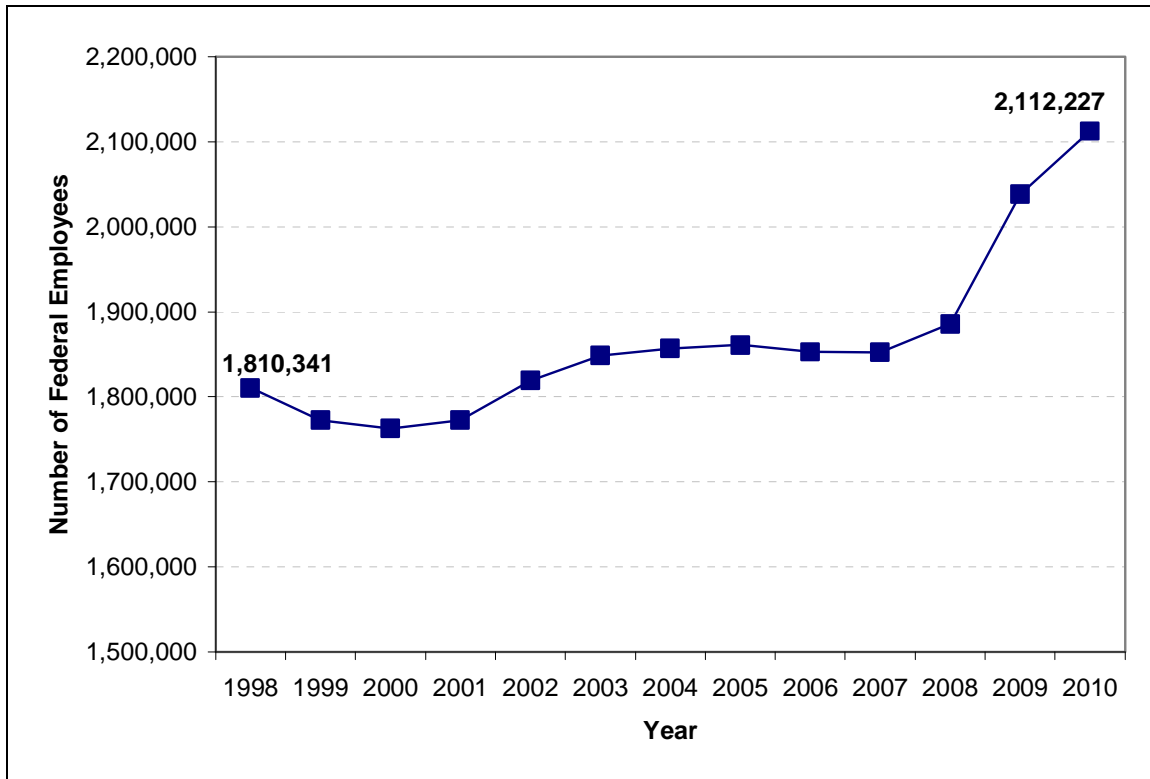
Country/Territory	Federal Civilian Employees	
	Number	Percent of Total
Afghanistan	586	1.7%
Belgium	704	2.0%
All other countries	4,236	12.1%
Total in foreign countries	37,377	100.0%
U.S. Territories		
Puerto Rico	11,395	75.0%
Guam	2,762	18.2%
Virgin Islands	724	4.8%
All other territories	307	2.0%
Total in U.S. territories	15,188	100.0%

Source: OPM's FedScope database.

Changes in the Size of the Federal Civilian Workforce

As **Figure 2** below indicates, the executive branch civilian workforce became somewhat smaller between 1998 (the first year for which FedScope data are available) and 2000, but has grown since 2000. As of December 2010, the workforce had more than 300,000 more employees than it had in September 1998, and nearly 350,000 more employees than it had in September 2000. As mentioned previously, though, the number of federal contractors is believed to have increased much more substantially during this period, growing by more than 3 million workers between 1999 and 2005 (from more than 4.4 million to more than 7.6 million).¹²

¹² Paul C. Light, Robert F. Wagner Graduate School of Public Service, New York University, *The New True Size of Government*, August 2006.

Figure 2. Size of the Federal Civilian Workforce, 1998 to 2010

Source: OPM's FedScope database. Data for 1998 through 2009 are as of September 30; data for 2010 are as of December 31.

Several federal departments and agencies were created or substantially reorganized between 1998 and 2010, so tracking changes over time by department or agency must take those changes into account. For example, before DHS was created in 2003, several of its bureaus were parts of other Cabinet departments (e.g., the U.S. Coast Guard was in the Department of Transportation, the U.S. Customs Service was in the Department of the Treasury, and the Immigration and Naturalization Service was in the Department of Justice).

With that caveat, **Table 8** below shows the number of employees in the major departments and agencies in September 1998 and December 2010. As the table shows, some of the agencies that were unconnected to the creation of DHS became larger during this period (e.g., HHS, DVA, and DOD), and some became smaller (e.g., the Department of Agriculture and SSA).

Table 8. Federal Civilian Workforce: September 1998 and December 2010

Department/Agency	September 1998	December 2010	Change	
Department of Agriculture	107,709	98,235	(9,474)	(8.8%)
Department of Commerce	38,933	45,348	6,415	16.5%
Department of Defense	710,412	771,614	61,202	8.6%
Department of Justice	122,580	118,104	(4,476)	(3.7%)
Department of Labor	15,946	16,554	608	3.8%
Department of Energy	16,148	16,651	503	3.1%
Department of Education	4,833	4,611	(222)	(4.6%)
Department of Health and Human Services	58,261	83,745	25,484	43.7%
Department of Homeland Security	(Did not exist)	191,197	—	—
Department of Housing and Urban Development	9,984	9,818	(166)	(1.7%)
Department of the Interior	73,038	72,168	(870)	(1.2%)
Department of State	15,637	12,086	(3,551)	(22.7%)
Department of Transportation	64,858	58,189	(6,669)	(10.3%)
Department of the Treasury	141,966	112,541	(29,425)	(20.7%)
Department of Veterans Affairs	240,846	312,878	72,032	29.9%
EPA	19,242	18,737	(505)	(2.6%)
GSA	14,221	12,902	(1,319)	(9.3%)
NASA	19,207	18,732	(475)	(2.5%)
SSA	65,629	70,270	4,641	7.1%
All other independent agencies	70,891	67,897	(2,994)	(4.2%)
Total	1,810,341	2,112,277	301,936	16.7%

Source: OPM's FedScope database.

Note: Negative changes are in parentheses.

Pending Legislation

Legislation has been introduced in the 112th Congress that attempts to reduce the size of the federal workforce. The Federal Workforce Reduction Act of 2011 (H.R. 657) would generally prohibit the head of an executive agency from appointing any individual to a position in the agency for which the Director of OMB projects a federal budget deficit. The legislation would also set the number of positions in the federal workforce hiring pool (to be established by the President) at zero as of the first day of FY2012, after which the number is required to (1) increase by .50 for each full time-equivalent position in any agency which subsequently becomes vacant; and (2) decrease by 1.0 for each request for a full time-equivalent position that is approved by the President. The bill would exempt DOD, DHS, and DVA from these requirements.

Types of Appointments and Work Schedules

As **Table 9** below indicates, almost 90% of federal employees in December 2010 were full-time, permanent employees (which was about the same percentage as in September 1998). About 5% of federal employees were full-time, nonpermanent; nearly 3% were not full-time, permanent; and 3.3% were not full-time, nonpermanent.¹³

Table 9. Federal Employees' Type of Appointment and Work Schedule, December 2010

Work Schedule	Type of Appointment			Total
	Permanent	Non-permanent	Unspecified	
Full-time	1,874,548	105,992	96	1,980,636
Not Full-time	62,471	69,145	0	131,616
Unspecified	3	3	19	25
Total	1,937,022	175,140	115	2,112,277

Source: OPM's FedScope database.

The Cabinet departments with the largest percentage of non-permanent employees were the Departments of Health and Human Services (27.8%), State (23.6%), and Interior (20.2%). Large independent agencies with large percentages of non-permanent employees were the U.S. Agency for International Development (50.1%), the Federal Deposit Insurance Corporation (36.6%), the National Archives and Records Administration (21.2%), and the Small Business Administration. The departments and agencies with the largest percentage of employees working less than a full-time schedule included OPM (20.3%), HHS (19.1%), and the Department of Commerce (17.5%). There were also substantial variations within these departments and agencies. For example, within the Department of Commerce, almost half (46.7%) of Census Bureau employees worked less than full-time; rates for the other parts of the department were less than 8%.¹⁴

The Arrival and Departure of Federal Employees

In each of the last several years, more than 300,000 employees joined federal agencies. These "accessions" may be divided into two main groups—employees who transferred into the agencies

¹³ The "non-permanent" category mainly consists of excepted service Schedule A and Schedule B employees. According to OPM, Schedule A appointing authorities "describe special jobs and situations for which it is impractical to use standard qualification requirements and to rate applicants using traditional competitive procedures." For example, agencies must use a Schedule A exception to hire attorneys because, by law, OPM cannot develop qualification standards or examinations for attorney jobs. OPM says Schedule B authorities "also apply to jobs and situations for which it is impractical to rate applicants using competitive procedures. However, under Schedule B authorities applicants must meet the qualification standards for the job. For example, Schedule B includes hiring authorities for the Student Temporary Employment Program, the Student Career Experience Program, and the Federal Career Intern Program. Only students qualify for student programs; it is not practical to use competitive procedures for them." For more information, see https://www.opm.gov/Strategic_Management_of_Human_Capital/fhfr/FLX05020.asp#itemA1. The "not full time" category mainly includes intermittent and part-time seasonal and nonseasonal employees.

¹⁴ Most of the Census Bureau employees working less than full time were intermittent and part-time non-seasonal employees in the 0303 "Miscellaneous Clerk and Assistant" occupational series.

from other federal agencies (either through individual or mass actions) and new hires. Each year, transfers are typically less than 10% of all accessions.¹⁵ For example, in FY2010, 14,003 (4.6%) of the 305,078 accessions were either individual or mass transfers. The remaining 291,075 accessions were new hires.

In FedScope, new hires are divided into competitive selections, excepted service appointments,¹⁶ and selections for the Senior Executive Service (SES). As **Table 10** below indicates, in FY2010, most new federal hires (54.4%) were into excepted service positions, not through the competitive selection process. The table also shows that almost half of federal hiring in FY2010 (144,475 of 291,075) was for other than full-time permanent employment.

Table 10. Type of Federal Hiring by Type of Position, FY2010

Type of Position	Type of Hiring			Total
	Competitive	Excepted Service	Senior Executive Service	
Full-time permanent	89,006	56,949	375	146,330
Not full-time permanent	43,367	101,347	31	144,475
Total	132,373	158,296	406	291,075

Source: OPM's FedScope database.

Among the 146,330 full-time permanent hires, 89,006 (60.8%) were hired through the competitive selection process and 56,949 (38.9%) were hired into excepted service positions. Some agencies were more prone to hire full-time, permanent employees without using the competitive selection process than others. For example, in FY2010, 100% of TSA hires and 67.2% of hires in the Bureau of Customs and Border Protection were into excepted service positions.¹⁷

Separations

In each of the last several years, more than 200,000 employees separated from federal agencies in one of two ways—through transfers to other agencies (either through individual or mass actions) or via separations from federal service. As was the case with accessions, transfers typically account for less than 10% of all separations each year. For example, in FY2010, 21,609 (9.5%) of the 228,540 separations were either individual or mass transfers. The remaining 206,931 separations in FY2010 were separations from federal service.

¹⁵ The exception to this trend in recent years was in 2003, when more than 162,000 employees were mass transferred when DHS was created, including 67,958 at TSA, 37,416 at the Bureau of Immigration and Customs Enforcement, and 24,239 at the Bureau of Customs and Border Protection.

¹⁶ Certain positions are excepted from competitive service by law, by executive order, or by OPM on the grounds that competitive examinations for such positions are not appropriate or impracticable (e.g., attorneys, medical doctors, and students under certain temporary employment programs).

¹⁷ Several agencies have been granted broad excepted service hiring authority, including TSA, DHS, DVA, the Government Accountability Office, and the Federal Bureau of Investigation. See <http://www.makingthedifference.org/federaljobs/exceptedservice.shtml> for a list of the major excepted service agencies.

Separations from the federal service may be divided into employees who quit, retire, are terminated/removed, die, are separated through a reduction-in-force (RIF), or have some other type of separation. As **Table 11** below shows, the most common forms of separation from the federal service in FY2010 were removals/terminations (37.0% of all separations from federal service), followed by quits (35.9%), and retirements (25.4%). However, when considering only full-time, permanent employees, retirements were most common (53.1% of all separations from federal service) followed by quits (33.6%). Almost 88% of all removals/terminations involved employees who were not full-time, permanent employees.

Table 11. Type of Separation From Federal Service by Type of Position, FY2010

Type of Position	Type of Separation from the Federal Service					Total
	Quit	Retire	Removal	Death	RIF/ Other	
Full-time permanent	32,186	50,847	9,507	2,869	317	95,726
Not full-time permanent	42,036	1,709	67,003	346	111	111,205
Total	74,222	52,556	76,510	3,215	428	206,931

Source: OPM's FedScope database.

Changes in Federal Occupational Categories

Federal occupations vary widely, from pipefitting to psychology.¹⁸ At the broadest level, federal occupations are categorized as blue-collar and white-collar, and the white-collar occupations may be grouped into five general categories: professional, administrative, technical, clerical, and other.¹⁹ **Table 12** below shows the distribution of federal employees in these categories in September 1998 and December 2010. The table shows that the number of employees working in blue-collar and clerical occupations declined substantially during this period (down 15.3% and 27.6%, respectively), while the number working in professional and administrative occupations increased substantially (up 21.7% and 45.0%, respectively). The number of employees in technical occupations increased slightly (up 7.1%).

Table 12. Occupational Categories in the Federal Civilian Workforce, September 1998 and December 2010

Occupational Category	September 1998	December 2010	Change	
			Number	Percent
Blue-collar	242,977	205,915	(37,062)	(15.3%)
White-collar	1,567,170	1,906,362	339,192	21.6%
—Professional	439,704	535,042	95,338	21.7%
—Administrative	531,395	770,743	239,348	45.0%

¹⁸ As of December 2010, there were 2,775 federal employees in the “pipefitter” occupational series, and 7,051 employees in the “psychology” series.

¹⁹ See <http://www.opm.gov/feddata/gp58.pdf> for the distinctions between these groups.

Occupational Category	September 1998	December 2010	Change	
			Number	Percent
—Technical	349,524	374,354	24,830	7.1%
—Clerical	198,898	143,942	(54,956)	(27.6%)
—Other	47,843	82,281	34,438	72.0%
Total	1,810,341	2,112,277	301,936	16.7%

Source: OPM's FedScope database.

Note: The "other" category includes a few hundred "unspecified" in each year. Negative changes are in parentheses.

Changes in the Demographic Characteristics of the Federal Civilian Workforce

The federal civilian workforce has also changed during the last 12 years in terms of certain demographic characteristics (e.g., race/ethnicity, gender, age, and length of service). Some of those changes were more significant than others, and some appear to be continuations of longer-term trends.

Representation of Minorities and Women

Table 13 below provides data on the percentages of the federal civilian workforce in September 1998 and December 2010 that were women and minorities. The data indicate that the representation of minorities in the federal workforce rose somewhat during this period (from 29.6% to 33.5%), while the representation of women declined slightly (from 44.4% to 44.1%). According to OPM, in September 1988, minorities composed 26.7% of the executive branch workforce, and women composed 42.2%.²⁰

Table 13. Percentage of the Federal Civilian Workforce, Women and Minorities, September 1998 and December 2010

Women/Minorities	September 1998	December 2010
Women	44.4%	44.1%
Minorities	29.6%	33.5%
—African American	15.9%	17.4%
—Hispanic	6.4%	6.1%
—Asian/Pacific Islander	4.5%	5.7%
—Other minorities	2.1%	4.3%

Sources: The September 1998 data are from OPM's *The Fact Book: 1999 Edition* (OWI-99-2, September 1999), p. 56. The December 2010 data are from OPM's FedScope database.

²⁰ U.S. Office of Personnel Management, *The Fact Book, 1999 Edition: Federal Civilian Workforce Statistics*, OWI-99-2 (September 1999).

The slight decline in the percentage of the federal workforce that was women between 1998 and 2010 may be partly a function of the decline in the number of federal clerical jobs during this period (down by nearly 55,000, as shown in **Table 12** above), and in their participation rate in those jobs. As **Table 14** below shows, clerical jobs were 82% women in September 1998 but less than 70% women by December 2010. On the other hand, the representation of women in the professional and administrative categories (occupational categories that were growing during this period) increased somewhat during this period.

Table 14. Percentage of Federal Civilian Workforce Categories That Were Women, September 1998 and December 2010

Occupational Category	Percentage of the Federal Workforce - Women	
	September 1998	December 2010
Blue-Collar	10.8%	10.4%
White-Collar	49.6%	47.8%
—Professional	39.0%	45.8%
—Administrative	42.6%	43.7%
—Technical	60.4%	58.0%
—Clerical	82.1%	68.1%
—Other	12.2%	15.4%
Total	44.4%	44.1%

Source: OPM's FedScope database.

As **Table 15** below shows, the percentage of the federal workforce that was minorities increased in most of the occupational groupings, but the increases were most notable in the professional, administrative, technical, and "other" occupational categories.

Table 15. Percentage of Federal Civilian Workforce Categories That Were Minorities, September 1998 and December 2010

Occupational Category	Percentage of the Federal Workforce—Minorities	
	September 1998	December 2010
Blue-Collar	34.6%	34.4%
White-Collar	28.9%	33.4%
—Professional	21.3%	26.2%
—Administrative	24.5%	32.1%
—Technical	36.0%	40.1%
—Clerical	43.1%	46.1%
—Other	36.1%	40.2%
Total	29.6%	33.5%

Source: The September 1998 data are from OPM's *The Fact Book: 1999 Edition* (OWI-99-2, September 1999), p. 46 and p. 56. The December 2010 data are from OPM's FedScope database.

The Senior Executive Service represents the most experienced and senior element of the federal government's career workforce, and racial, ethnic, and gender diversity in the SES ranks can bring a variety of perspectives and approaches to policy development and implementation.²¹ As **Table 16** below shows, the percentage of the SES that was women in December 2010 was less than women's representation in the federal workforce as a whole (31.6% in the SES versus 44.1% in the workforce). Minorities were even less represented in the SES than in the federal workforce (18.1% of the SES were minorities versus 33.5% of the workforce as a whole).

Table 16. Percentage of the Federal Civilian Workforce and the Senior Executive Service That Were Women and Minorities, December 2010

Women/Minorities	Representation in the	
	Federal Workforce	SES
Women	44.1%	31.6%
Minorities	33.5%	18.1%
—African American	17.4%	9.5%
—Hispanic	6.1%	3.1%
—Asian/Pacific Islander	5.7%	3.0%
—Other minorities	4.3%	2.5%

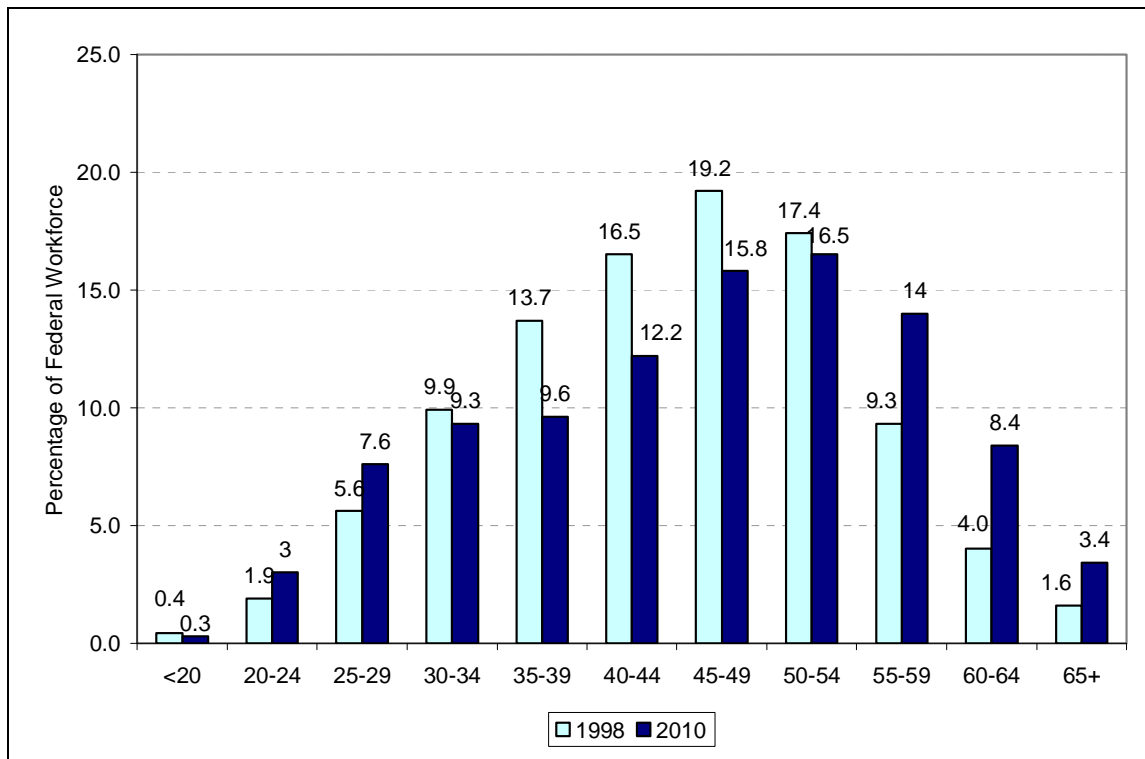
Source: OPM's FedScope database.

Age and Length of Service

As **Figure 3** below illustrates, the federal workforce was somewhat older in December 2010 than in September 1998. For example, the percentage of employees aged 55 and older increased from 14.9% in 1998 to 25.8% in 2010. On the other hand, the percentage of employees aged 30 to 49 declined from 59.3% in 1998 to 46.9% in 2010. These changes are evidence of a much-discussed aging of the federal workforce, with a larger percentage of federal employees potentially eligible to retire, or approaching retirement eligibility than in previous years.²²

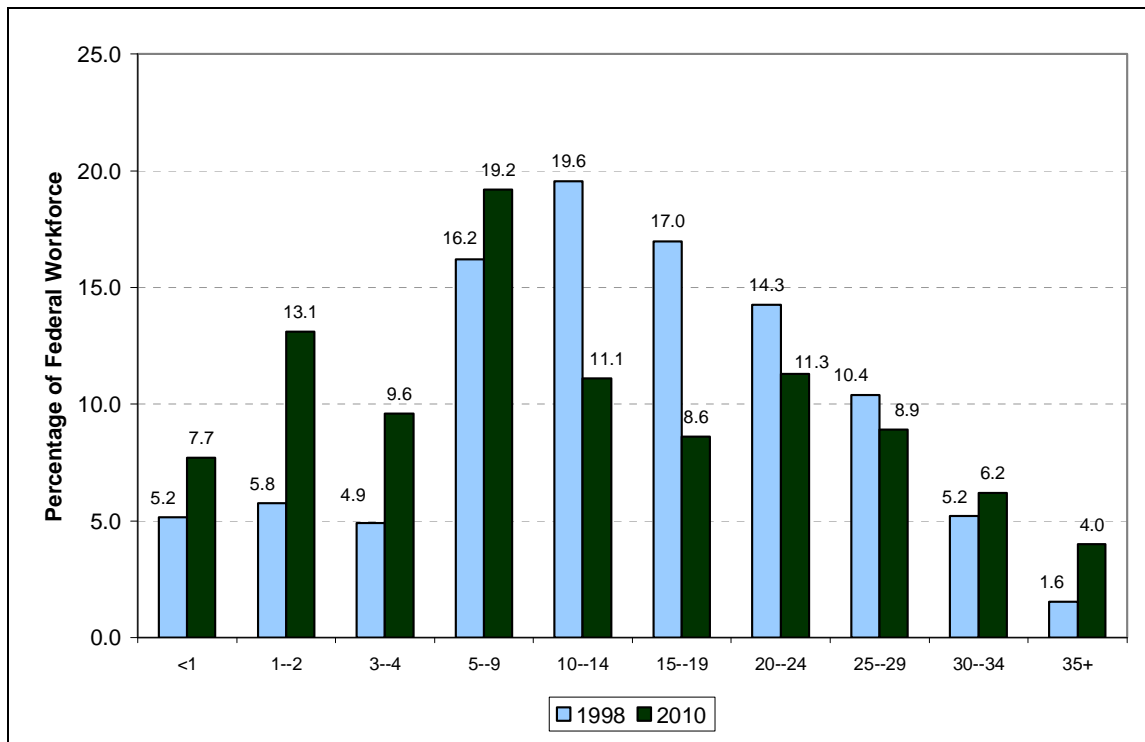
²¹ See, for example, David W. Pitts, "Representative Bureaucracy, Ethnicity, and Public Schools: Examining the Link Between Representation and Performance," *Administration & Society*, vol. 39 (July 2007), pp. 497-527; and Morgen S. Johansen, "The Effect of Female Strategic Managers on Organizational Performance," *Public Organization Review*, vol. 7 (September 2007), pp. 269-280.

²² See, for example, testimony of Nancy H. Kichak, Associate Director for Strategic Human Resources Policy, U.S. Office of Personnel Management, before the Subcommittee on the Federal Workforce, Postal Service, and the District of Columbia, Committee on Oversight and Government Reform, U.S. House of Representatives, May 20, 2008, available at <http://www.opm.gov/feddata/gp58.pdf>.

**Figure 3. Age Distribution of the Federal Civilian Workforce,
September 1998 to December 2010**

Source: OPM's FedScope database.

In contrast, the average length of service for the federal workforce declined between September 1998 and December 2010—from 15.2 years to 13.5 years. As **Figure 4** below shows, the changes between 1998 and 2010 were not uniform across the length-of-service categories. A larger percentage of the federal workforce had less than five years of federal service in 2010 than in 1998 (30.4% versus 15.9%, respectively), and a larger percentage of the workforce in 2010 had more than 30 years experience than in 1998 (10.2% versus 6.8%, respectively). Differences between 1998 and 2010 are also apparent in the middle length-of-service categories (and particularly in the 10-to-14 year category). In 1998, 52.8% of the federal civilian workforce had between 5 and 19 years of service; by 2010, the percentage of the workforce with that category of service fell to 38.9%. The percentage of workers with between 10 and 14 years of service fell most sharply—from 19.6% in 1998 to 11.1% in 2010.

Figure 4. Years of Service Distribution of the Federal Civilian Workforce, 1998 to 2010

Source: OPM's FedScope database.

Federal Civilian Workforce Pay Systems and Average Pay

The General Schedule (GS) was created by the Classification Act of 1949, and is by far the largest federal pay system. However, as **Table 17** below shows, the percentage of federal civilian employees who were covered by the GS and related pay systems declined from nearly 80% in September 1998 to 71% in December 2010, and the percentage in the “Prevailing Rate” (blue-collar) pay system declined from 13.4% to 9.7%. During the same period of time, the percentage of employees in single-agency pay systems increased substantially—particularly in pay systems not related to nursing or teaching. The number of employees covered by such systems increased from less than 16,000 in 1998 (0.8% of the federal civilian workforce) to 266,587 in 2010 (12.6% of the federal workforce). According to FedScope, the largest pay plans within this category in December 2010 were:

- the pay plan for TSA administrative employees within DHS, other than executives (61,622 employees);
- the Federal Aviation Administration (FAA) “Core Compensation” plan (22,571 employees); and
- the FAA air traffic controller compensation plan (19,667 employees).

**Table 17. Employees in Major Federal Civilian Pay Systems,
September 1998 and December 2010**

Federal Pay System	September 1998		December 2010	
	Number	Percent	Number	Percent
General Schedule or related	1,431,757	79.1%	1,500,395	71.0%
Prevailing Rate	241,837	13.4%	204,982	9.7%
Other	136,520	7.5%	406,292	19.2%
A. Government-wide	76,125	4.2%	80,566	3.8%
1. Admin Determined	58,652	3.2%	58,187	2.8%
2. Senior Executive Service	7,019	0.4%	7,981	0.4%
3. All other	10,454	0.6%	14,398	0.7%
B. Single Agency	60,395	3.3%	325,726	15.4%
1. Nursing	32,267	1.8%	51,033	2.4%
2. Teaching	12,242	0.6%	8,106	0.4%
3. All other	15,886	0.8%	266,587	12.6%
Total	1,810,341	100.0%	2,112,277	100.0%

Source: OPM's FedScope database.

Average Salary Differences

In December 2010, the average salary of the more than 2.1 million federal employees covered by the FedScope database was \$74,817. However, this average varies substantially by agency and pay system, even among the major Cabinet departments. For example, as **Table 18** below shows, the average salary at DHS (which includes a large number of relatively lower-paid TSA employees) was \$67,470, whereas the average salary at DOT (more than 80% of which is relatively higher-paid FAA employees) was \$103,266. The agency with the highest average salary in December 2010 was the Securities and Exchange Commission (\$147,595), and the agency with the lowest average salary was TSA (\$48,733).

Table 18. Average Salaries for Selected Federal Departments and Agencies, December 2010

Departments/Agencies	Average Salary (December 2010)
Departments/agencies with relatively high average salaries	
Securities and Exchange Commission	\$147,595
Federal Housing Finance Agency	\$147,350
Commodities Futures Trading Corporation	\$137,470
Federal Communications Commission	\$119,068
Federal Labor Relations Authority	\$117,217
Nuclear Regulatory Commission	\$116,471
Federal Deposit Insurance Commission	\$108,342
Department of Transportation	\$103,266
—Federal Aviation Administration	\$104,601
Department of Energy	\$103,636
Department of Education	\$102,457
Departments/agencies with relative low average salaries	
Department of Agriculture	\$65,180
—Agricultural Marketing Service	\$49,112
Department of the Interior	\$66,285
—Indian Affairs	\$54,925
Department of Homeland Security	\$67,470
—Transportation Security Administration	\$48,733
Department of Defense	\$70,174
—U.S. Army Installation Management	\$56,784

Source: OPM's FedScope database.

Highest Paid Federal Employees

As **Table 19** below shows, 84,845 (4.0%) of the more than 2.1 million federal employees included in the FedScope database as of December 2010 had salaries of at least \$150,000 per year. Nine departments and agencies accounted for 65,343 (77.0%) of these relatively higher-salaried employees: DVA, DOD, DOT, DOJ, HHS, Treasury, DOC, SEC, and NASA. Just the top two departments (DVA and DOD) accounted for 42.6% of the employees in this category (36,136 of the 84,845 employees).

Table 19. Employees With Annual Salaries of \$150,000 or More, by Department or Agency, December 2010

Department/ Agency	Number of Employees with Annual Salaries of					Total Workforce	\$150,000 or More as Percentage of the Total Workforce
	\$150,000 to \$159,999	\$160,000 to \$169,999	\$170,000 to \$179,999	\$180,000 or more	\$150,000 or More (sum of prior columns)		
DVA	2,534	2,556	3,212	13,246	21,548	312,878	6.9%
DOD	7,891	5,592	749	356	14,588	771,614	1.9%
DOT	2,788	1,992	2,153	2	6,935	58,189	11.9%
DOJ	5,987	600	355	2	6,944	118,104	5.9%
HHS	2,230	561	687	2,027	5,445	83,745	6.5%
Treasury	1,842	358	444	463	3,107	112,541	2.8%
DOC	1,954	258	186	3	2,401	45,938	5.2%
SEC	386	413	534	913	2,246	3,982	56.4%
NASA	1,684	335	104	6	2,129	18,732	11.4%
Subtotal	27,296	12,605	8,424	17,018	65,343	1,407,619	4.7%
All other agencies	11,452	4,405	2,424	1,221	19,582	704,658	2.8%
Total	38,748	17,010	10,848	18,239	84,845	2,112,277	4.0%

Source: FedScope, which covers only federal civilian employees in the executive branch. It excludes certain executive branch agencies, including the U.S. Postal Service, the Central Intelligence Agency, and the Tennessee Valley Authority.

Note: The totals do not include missing data, which varies somewhat from one type of data to the next. Therefore, the total number of employees varies slightly from one table to the next.

Government-wide, and in seven of the nine listed agencies, the largest number of these higher-salaried employees were in the “\$150,000 to \$159,999” pay category. However, in both DVA and the SEC, the largest number of these employees were in the “\$180,000 or more” category. DVA alone accounted for 72.6% of the employees government-wide with annual salaries of \$180,000 or more (13,246 of the 18,239 employees). The departments and agencies varied considerably in the percentage of their workforces with salaries of at least \$150,000 per year; the lowest percentage was DOD (1.9%), and the highest percentage was the SEC (56.4%).

In some of these departments and agencies, certain occupations accounted for the bulk of the employees with salaries of \$150,000 or more per year. For example:

- At DVA, 18,830 (91.4%) of the 21,548 employees with annual salaries of \$150,000 or more were Medical Officers (occupational series 0602), and another 899 employees (4.2%) were Dental Officers (0680).²³

²³ According to OPM, “Medical Officers” are physicians, and “Dental Officers” are dentists.

- At DOT, of the 6,935 employees with salaries of \$150,000 or more per year, 6,323 (91.2%) were in the Federal Aviation Administration, and of these, 4,848 (76.6%) were Air Traffic Controllers (occupational series 2152).
- At DOJ, of the 6,944 employees with salaries of \$150,000 or more per year, 5,553 (80.0%) were General Attorneys (occupational series 0905). Most of these General Attorneys (3,168 of the 5,553, or 57.1%) were U.S. Attorneys or in the Executive Office of the U.S. Attorneys, almost all of whom made less than \$160,000 per year (3,160 of 3,168).
- At the SEC, of the 2,246 employees with salaries of at least \$150,000 per year, 1,975 (87.9%) were either General Attorneys (occupational series 0905) or Accountants (0510).
- At HHS, more than one-half of the employees with salaries of at least \$150,000 per year (2,919 of the 5,445) were either Medical Officers (occupational series 0602) or General Health Science personnel (0601). More than 96% of the Medical Officers at HHS worked at the National Institutes of Health, the Food and Drug Administration, the Indian Health Service, or the Centers for Disease Control and Prevention (2,167 of 2,248).

In other agencies, however, the higher-salaried employees were not concentrated in one or two occupations. For example, at DOD, the occupation that contained the largest percentage of employees earning \$150,000 or more was General Engineering (occupational series 801), which comprised 11.4% of the employees in this category.

Summary Observations

The data provided in this report show that the “federal workforce” varies substantially in size, shape, and characteristics, depending on how that workforce is conceived. Viewed broadly, the “federal government” includes civilian and military employees, all branches of government, and the U.S. Postal Service. However, most discussions of the federal workforce focus on civilian employees in the executive branch. Within that category, while OPM’s FedScope data indicate that nearly 90% of the workforce in December 2010 was composed of full-time, permanent employees, about half of all hiring and separations from federal service each year involve temporary and/or other than full-time employees. Also, although federal pay averaged almost \$75,000 in December 2010, federal agencies vary significantly in average salary, and in the proportion of their workforce with salaries of more than \$150,000 per year. Therefore, in discussions about “the federal workforce,” it is important to be clear which agencies and what types of employees are included.

Some aspects of the federal civilian executive branch workforce are, however, relatively unambiguous. That workforce grew by nearly 350,000 employees between September 2000 (the low point since 1998) and December 2010, with the growth concentrated in homeland security-related agencies, DVA, DOD, and HHS. The civilian workforce at other departments and agencies (e.g., USDA, Department of State, and EPA) became smaller. Although federal employees work in more than 100 agencies and organizations, the data indicate that nearly 60% of the federal civilian workforce was in three large Cabinet departments in December 2010—DOD, DVA, and DHS. Even in its reduced size, DOD was by far the largest and most ubiquitous federal department or agency. In most states, DOD was the largest federal civilian employer (often by a wide margin), and DOD was the second-largest employer in most of the other states. DOD also

employed more than 90% of federal civilian employees in foreign countries (not including the foreign service).

It is also clear from the data that certain aspects of the federal workforce have changed in recent years. For example, between September 1998 and December 2010, the number of blue-collar employees declined by more than 15%, and the number of clerical employees declined by more than 27%. Meanwhile, the number of professional and administrative employees increased by 21.7% and 45.0%, respectively. The percentage of the workforce that was minorities also increased during this period, but the percentage that was women declined slightly. Also, although women as well as minorities represented an increasing proportion of the growing professional and administrative groups, their representation in the Senior Executive Service lagged behind their representation in the workforce as a whole. The federal workforce was also noticeably older in 2010 than it was 12 years earlier. The percentage of the workforce that was age 55 or older rose sharply between 1998 and 2010 (from less than 15% to more than 25%). In 1998, the age grouping with the largest percentage of federal workers was age 45-49; in 2010, the modal age grouping was age 50-54.

Perhaps the most surprising statistics, however, involve the “hidden” federal workforce of contractors and grantees. That workforce was estimated to include more than 10.5 million jobs in 2005—nearly four times as large as the combined total of all three branches of government and the U.S. Postal Service. The number of contractor and grantee jobs was also estimated to have increased by more 50% between 1999 and 2005. If that rate of increase is accurate and continued for the next six years, the number of federal contractors and grantees would reach nearly 16 million in 2011. However, it is unclear whether the number is increasing or decreasing because (unlike federal employment) there are currently no accurate data on the number of contractors or grantees. Legislation enacted in 2009 (Section 752 of P.L. 111-8 and Section 743 of P.L. 111-117) directs federal agencies to report information to Congress on federal contractors, and those requirements may result in some contractor data becoming available shortly.

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